

**REMARKS/ARGUMENTS**

Claims 1-44 are pending in the application. Claims 7, 8, 22, 23, 31, and 34 stand rejected under 35 U.S.C. 112, and claims 1-44 stand rejected under 35 U.S.C. 103(a).

***Claim Amendments***

The amendment of independent claims 1, 21, and 25 proposes that upon receiving via a web server an indication that the internet user wishes to finalize a transaction with the web merchant, a first electronic wallet that is pre-populated with consumer information of the internet user provided on a preceding occasion is presented via the web server, and a second electronic wallet associated with the internet user compares the consumer information pre-populated in the first electronic wallet with consumer information for the internet user pre-populated in the second electronic wallet. The amendment of claims 1, 21, and 25 proposes further that if the second electronic wallet identifies at least one aspect of the consumer information pre-populated in the first electronic wallet that is different from a corresponding aspect of the consumer information pre-populated in the second electronic wallet, that aspect of the consumer information in the first electronic wallet that is different is replaced via the web server with the corresponding aspect of the consumer information from the second electronic wallet. (See, e.g., p. 9, line 28- p. 11, line 24)

Claims 7, 8, 10, and 11 depending on claim 1, claims 22 and 23 depending on claim 21, and claims 28, 31, 32, 37, and 39 depending on claim 25 are amended to address editorial issues, and claims 13, 15, 37, and 39 are canceled likewise to address editorial issues

Support for the foregoing amendment is found throughout the specification and in the claims as detailed above. Accordingly, no new matter has been added.

***Claim Rejections - 35 U.S.C. §112***

The amendment of claims 7, 8, 22, 23, 31, and 32 remove the terms “preferred” and “exclusive” which the Examiner considers indefinite and without antecedent reference in rejecting those claims and thus overcomes the rejection.

***Claim Rejections - 35 U.S.C. §103***

Claims 1-15, 20-39, and 44 stand rejected as obvious over Mitra et al. (U.S. 20010014878) in view of Paltenghe et al. (U.S. 20010011250) under 35 U.S.C. 103(a), and claims 16-19 and 40-43 stand rejected as obvious over Mitra et al. and Paltenghe et al. and further in view of Kawan (U.S. No. 5,796,832) under 35 U.S.C. 103(a). The rejection is respectfully traversed and reconsideration is requested. The references asserted do not teach or suggest the subject invention.

The Examiner considers that Mitra et al., teach all of the claimed elements of independent claims 1, 21, and 25 except electronic wallet, which the Examiner considers to be taught by Paltenghe et al. It is true that Mitra et al. discuss a payment system without reference to electronic wallets. Indeed, the Mitra et al. system is only a slight variation on existing art credit card authorization systems, such as the VISA or MASTERCARD systems. In the Mitra et al. system, a buyer opens an account and is given a “token” with which to make purchases by providing the token to a seller, who then contacts the token issuer for authorization. The token issuer furnishes the authorization, and the seller furnishes the goods/services to the buyer and invoices the token issuer as payment agent for the buyer. The token issuer pays the seller and sends a monthly bill to the buyer. See p. 1, par. 0005-0011. The variation in Mitra et al. is combining in the token issuer function the credit card acquirer and issuing bank functions of the VISA or MASTERCARD systems.

Paltenghe et al. do not cure the deficiencies of Mitra et al. It is also true that Paltenghe et al. discuss an electronic wallet. However, Paltenghe et al. discuss the well-known electronic wallet function of storing information for a party to use in transactions to avoid re-entering the information at the time of each transaction. In

particular, Paltenghe et al. discuss use of an electronic wallet running on a pocket device, such as a smart card, actually carried around by a user in his or her pocket to interface directly with merchant devices in place of money and credit cards. See p. 4, par. 45 and p 8. par. 0074-0076.

Nor does Kawan cure the deficiencies of Mitra et al. and/or Paltenghe et al. It is likewise true that Kawan discusses a system that uses portable terminals with keypads and displays, which the Examiner interprets to be a PDA, that can be connected to a financial institution via a wireless telephone hook-up and read smart card data to verify authorizations and maintain records. (See Col. 6, lines 4-12)

None of the references asserted by the Examiner are even remotely capable of Applicant's claimed method and system, either separately or in combination with one another. As pointed out by Applicant in the "Background" section of the present application, electronic transactions between consumers and merchants using credit account information and payment engines or links to payment processing services and the use of cookies to identify consumers and to give merchants permission to charge stored credit card numbers are well known. As also pointed out by Applicant in the "Background" section, electronic wallets that store consumer information to avoid repeatedly typing in the information and that can also perform conventional security, payment, and protocol functions are well known. (See, e.g., p. 1, line 15-p. 3, line 15) Nor does Applicant dispute that personal digital assistants or PDAs are well known.

As discussed further by Applicant in the "Background" section of the application, in conventional systems, whether an electronic wallet or a cookie is used to store the consumer's information, it comprises a single entity that operates in the middle between the merchant and the consumer. The consumer stores information in the wallet, the wallet communicates with the merchant through the merchant's web site, and the merchant receives information from the wallet. Alternatively, the merchant stores information in its own electronic wallet, or perhaps in a cookie, in which case the merchant simply sends it to the consumer's browser and later retrieves

it through the merchant's web site. In either case, the information stored by the merchant eventually becomes old and invalid unless the merchant asks for and receives new information from the consumer and then updates its wallet or cookie with the new information.

Applicant's claimed invention addresses this disadvantage of conventional systems using a merchant wallet and allows the consumer to use the consumer's electronic wallet with which the consumer communicates, which automatically updates the consumer information in the merchant's electronic wallet with which the merchant communicates.

There is no teaching or suggestion whatsoever in Mitra et al. and/or Paltenghe et al. and/or Kawan, as proposed in amended claims 1, 21, and 25, that on receiving an indication via the web server that the internet user wishes to finalize the transaction, a first electronic wallet associated with the web merchant that is pre-populated with consumer information of the internet user provided on a preceding occasion is presented via the web server, that a second electronic wallet associated with the internet user compares the consumer information pre-populated in the first electronic wallet with consumer information for the internet user pre-populated in the second electronic wallet, and that if the second electronic wallet identifies at least one aspect of the consumer information pre-populated in the first electronic wallet that is different from a corresponding aspect of the consumer information pre-populated in the second electronic wallet, that aspect of the consumer information in the first electronic wallet that is different is replaced via the web server with the corresponding aspect of the consumer information from the second electronic wallet.

Mitra et al. and/or Paltenghe et al. and/or Kawan, do not teach or suggest and are not capable of Applicant's claimed method and system, either separately or in combination with one another. Rather, the rejection is an attempt at hindsight reconstruction of the claimed invention using the claimed invention as a template and selecting pieces from the references to fill in the gaps.

Because the cited reference does not teach the limitations of claims 1, 21, and 25, the Examiner has failed to establish the required *prima facie* case of unpatentability. See In re Royka, 490 F.2d 981, 985 (C.C.P.A., 1974) (holding that a *prima facie* case of obviousness requires the references to teach all of the limitations of the rejected claim); See also MPEP §2143.03.

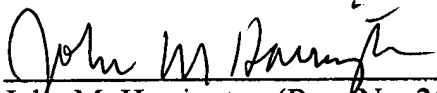
The Examiner has failed to establish the required *prima facie* case of unpatentability for independent claims 1, 21, and 25, the Examiner similarly has failed to establish a *prima facie* case of unpatentability for claims 2-12, 14, and 16-20 depending on claim 1, claims 22-24 depending on claim 21, and claims 26-36, 38, and 40-44 depending on claim 25.

**Conclusion**

In view of the foregoing amendment and these remarks, each of the claims remaining in the application is in condition for immediate allowance. Accordingly, the examiner is requested to reconsider and withdraw the rejection and to pass the application to issue. The examiner is respectfully invited to telephone the undersigned at (336) 607-7318 to discuss any questions relating to the application.

Respectfully submitted,

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